

**CALHOUN PORT AUTHORITY  
REGULAR MEETING  
October 9, 2019**

A regular meeting of the Calhoun Port Authority was held on Wednesday, October 9, 2019 at 9:00 a.m. in the Calhoun Port Authority Board Room, Calhoun Port Authority Office, Point Comfort, Texas

Board Members attending were:

Commissioner # 1 – Tony Holladay  
Commissioner # 2 – Jay Cuellar  
Commissioner # 3 – J.C. Melcher, Jr.  
Commissioner # 4 – Luis De La Garza  
Commissioner # 5 – Johnny Perez  
Commissioner # 6 – H. C. Wehmeyer, Jr.

Staff Members present were:

Charles R. Hausmann – Port Director  
Forrest Hawes – Deputy Port Director  
David Knuckey – Director of Engineering Services  
Sandy Witte – Roberts, Odefey, Witte & Wall  
Miranda Malek – Administrative Assistant

Others Present were:

Rhonda Cummins – Apostleship of the Sea  
Mickey Sappington – G&W Engineers, Inc.  
Steve Gibson – Matagorda Bay Pilots  
David Adrian – Matagorda Bay Pilots  
Tom Morgan - Simplot  
Rob Muil - TGLO  
Jack Wu – Formosa Plastics Corporation, Texas  
Pat Cullen – Formosa Plastics Corporation, Texas  
Steve Svetlik – NST  
Dwaine McClean – Great River Industries  
Kali Venable – Victoria Advocate

**Agenda Item No. 1: Call to Order:**

Board Chair J. C. Melcher, Jr. called the Regular Meeting to order at approximately 9:00 a.m. He announced that the agenda of the meeting was posted in accordance with the provisions of the Texas Open Meetings Act.

The Pledge of Allegiance was led by Board Member Luis De La Garza.

Board Chair J. C. Melcher, Jr. recessed the Regular Board Meeting for a meeting of the Matagorda Bay Pilot Board. The Regular Board meeting was reconvened at 9:03 a.m.

**Agenda Item No. 2: Public Comment.**

No action was taken on this agenda item.

**Agenda Item No. 3: Approve the minutes of the Wednesday, September 11, 2019 Regular Meeting.**

The Board Members reviewed the minutes from the Wednesday, September 11, 2019 Regular Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Tony

Holladay to approve the minutes of the Wednesday, September 11, 2019 Regular Meeting Minutes. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried unanimously.

**Agenda Item No. 4: Review of Financial Reports: All Funds.**

Deputy Director Forrest Hawes presented the following financial information to the Board Members for Review:

Fund Balance Report as of September 30, 2019:

- 1.) Accounts Receivable Report as of September 30, 2019
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable were 92% current as of September 30, 2019.

**Agenda Item No. 5: Approval of Disbursements and Transfers: All Funds**

The Board Members reviewed the October 9, 2019 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Secretary Tony Holladay to approve disbursements and the corresponding transfers for October 9, 2019. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried that the disbursements and the corresponding transfers be approved.

<u>TRANSFER NO</u>	<u>FUND ACCOUNT</u>	<u>AMOUNT</u>
<b><u>GROSS REVENUE FUND</u></b>		
2019-051	To Port Operations Fund	\$ 69,665.78
2019-052	To Port Operations Fund	59,817.57
2019-053	To Port Operations Fund	58,612.72
2019-054	To Port Operations Fund	170,216.83
	Total	\$ 358,312.90
<b><u>MAINTENANCE AND OPERATIONS FUND</u></b>		
2019-051	To Port Operations Fund	\$ 6,109.25
2019-052	To Port Operations Fund	5,310.05
2019-053	To Port Operations Fund	5,364.97
2019-054	To Port Operations Fund	35.43
	Total	\$ 16,819.70
<b><u>BUSINESS DEVELOPMENT FUND</u></b>		
2019-054	To Port Operations Fund	\$ 229.90
	Total	\$ 229.90
<b><u>DEPRECIATION &amp; MAJOR REPAIR FUND</u></b>		
2019-054	To Port Operations Fund	\$
	Total	\$
<b><u>AN/NH3 OPERATING FUND</u></b>		

2019-054	To Port Operations Fund	\$ 25,797.25
	Total	\$ 25,797.25

**TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT \$ 401,159.75**

**INTERFUND TRANSFERS**

<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
10/9/19	AN/NH3 Operating	AN/NH3 Dep. M/R	\$7,500.00
	Total		<u>\$7,500.00</u>

**Agenda Item No. 6: Port Director’s Report.**

Charles R. Hausmann, Port Director, reported the following:

A. Harbor Traffic Statistics for the month of September:

That a total of 122 vessels had arrived at the public port facilities during the month of September; 27 deep draft arrivals and 95 inland barges and a total of 243 invoices were issued. Further, that 12 deep draft vessels were already on schedule for October arrival.

Total revenue tons for the month of September were 476,548.4 short tons. The total tonnage for the first quarter of fiscal year 2020 were 1,428,370.9 short tons.

B. NGL loaded out 16 crude oil barges totaling 52,342.4 short tons.

C. Seadrift Coke lightered 6 barges of needle coke totaling 9,941.5 short tons to 1 ship for export.

D. Harvest loaded out 6 crude oil barges totaling 21,123.8 short tons.

E. Pelorus also loaded 4 barges of C-4 Mix to 1 ship totaling 8,318.3 short tons.

**Agenda Item No. 7: Review and Consideration of Approval of Board Members Committee/Conference Attendance.**

No action was taken on this agenda item.

**Agenda Item No. 8: Review and Discussion from the Catholic Church Concerning Christmas at Sea for Visiting Seafarers at the Calhoun Port Authority.**

Rhonda Cummins addressed the Board Members on behalf of the Catholic Church concerning Christmas at Sea for visiting seafarers at the Calhoun Port Authority. Ms. Cummins reviewed a handout with the Board Members that provided everyone with guidelines on providing Christmas gifts for the visiting seafarers. No action was taken on this agenda item.

**Agenda Item No. 9: Review and Consideration of Approval of a Sublease of Easement between Arrowhead Offshore Pipeline, LLC and Formosa Plastics Corporation, Texas.**

The Board Members reviewed a copy of a sublease of easement between Arrowhead Offshore Pipeline, LLC and Formosa Plastics Corporation, Texas. The Port previously approved an easement amendment for additional pipelines to be placed in the Arrowhead Pipe Rack and under the easement agreement, the Port must approve any sublease of easements by Arrowhead. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the sublease of easement

between Arrowhead Offshore Pipeline, LLC and Formosa Plastics Corporation, Texas. The motion was seconded by Board Secretary Tony Holladay and the motion carried unanimously.

**Agenda Item No. 10: Review and Consideration of Approval of Authorization to advertise for Bids for the Port's Mass Notification Speaker Replacement Project.**

The Board Members reviewed a copy of an interoffice memo from Port Engineer David Knuckey that proposed the schedule for replacing the Port's mass notification speakers located on top of the control tower. The estimated budget for this project ranged from \$100,000.00 to \$125,000.00. Board Chair J. C. Melcher requested that the Board Members with experience in alarm systems work with Mr. Knuckey on this project. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to authorize for bids for the port's Mass Notification Speaker Replacement Project. The motion was seconded by Board Member Luis De La Garza and the motion carried unanimously.

**Agenda Item No. 11: Review and Consideration Approval of an Indemnity Agreement between the Calhoun Port Authority and Diamond K Corporation for the use of Port Property for the Formosa EPM53 Pipeline Project.**


The Board Members reviewed a copy of an Indemnity Agreement that had been signed by Diamond K Corporation. The agreement was to indemnify the Port while Diamond K Corporation is installing the pipelines from the new EG-2 plant to the Port's pipe rack. Diamond K will be paying a \$1,000.00 administrative fee to cover the cost of the document preparation. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the Indemnity Agreement between the Calhoun Port Authority and Diamond K Corporation for the use of Port Property for the Formosa EPM53 Pipeline Project. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried unanimously.

**Agenda Item No. 12: Review and Consideration of Authorizing Port Staff to Obtain Proposal for the Creation of a Master Plan for the Calhoun Port Authority.**

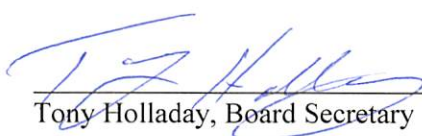
Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to authorize Port Staff to obtain proposals for the creation of a Master Plan for the Calhoun Port Authority. The motion was seconded by Board Member Johnny Perez and the motion carried unanimously.

**Agenda Item No. 13: Adjourn.**

There being no further business to be brought before the Board, a motion was duly made that the meeting be declared adjourned at approximately 9:43 a.m. on Wednesday, October 9, 2019.

  
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J. C. Melcher, Jr. Board Chair

ATTEST:

  
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Tony Holladay, Board Secretary